## **Introduced by Senator Soto**

February 20, 2003

An act to amend Section 20963 of the Government Code, relating to state employees' retirement. An act to add Section 19836.2 to the Government Code, relating to state employees.

## LEGISLATIVE COUNSEL'S DIGEST

SB 579, as amended, Soto. Public employees' retirement: service eredit Excluded employees: reduction in salary and benefits.

Existing law requires the Department of Personnel Administration to establish and adjust salary ranges for each class of position in the state civil service subject to the merit limits contained in the California Constitution and in establishing or changing these ranges, to consider the prevailing rate for comparable service in other public employment and in private businesses.

Under the Ralph C. Dills Act, managerial employees, confidential employees, supervisory employees, and generally, employees of the Legislative Counsel Bureau, the Department of Finance, the Department of Personnel Administration, the Bureau of State Audits, and certain employees in various other state agencies are excluded from the employer-employee relations process governed by that act.

Existing law also requires, with limited exceptions, that meetings of a committee of a Legislature be open and public.

This bill would prohibit the department from implementing a salary or benefit reduction for excluded employees, as defined, unless and until the issue is heard in a noticed public meeting of the appropriate policy committee of each house of the Legislature. SB 579 -2-

Under existing law, state, school, and school safety members of the Public Employees' Retirement System who retire within 4 months of separation from employment are credited with one day of service credit for each day of unused sick leave, except as specified.

Under this bill, managerial, confidential, supervisory and other specified state employees would be credited at retirement with an hour of service credit for each hour of unused sick leave.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 20963 of the Government Code is
- 2 SECTION 1. Section 19836.2 is added to the Government 3 Code, to read:
  - 19836.2. (a) The department may not implement a salary or benefit reduction for excluded employees unless and until the issue is heard in a noticed public meeting of the appropriate policy committee of each house of the Legislature.
  - (b) "Excluded employee" for the purposes of this section has the same meaning as defined in subdivision (b) of Section 3527. amended to read:
  - 20963. (a) A state member, other than a state member described in subdivision (b), or a, school or school safety member, whose effective date of retirement is within four months after separation from employment with the employer subject to this section that granted the sick leave credit, shall be credited at his or her retirement with 0.004 year of service credit for each unused day of sick leave certified to the board by the employer.
  - (b) A state member who is excluded from the definition of state employee under subdivision (e) of Section 3513 shall be credited at his or her retirement with one hour of service credit for each unused hour of sick leave certified to the board by the employer.
  - (c) The certification shall report only those days or hours of unused sick leave that were accrued by the member during the normal course of his or her employment and may not include any additional days or hours of sick leave reported for the purpose of increasing the member's retirement benefit. Reports of unused days or hours of sick leave shall be subject to audit and retirement benefits may be edinated where imprepar reporting is found.
  - benefits may be adjusted where improper reporting is found.

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(d) Until receipt of certification from an employer concerning unused sick leave, the board may pay an estimated allowance pursuant to this section. At the time of receipt of the certification, the allowance shall be adjusted to reflect any necessary changes.

- (e) Notwithstanding any other provisions of this part, this section does not apply to local members other than local miscellaneous members employed before July 1, 1980, by a school district that is a contracting agency or those school safety members employed before July 1, 1980, by a contracting agency that is a school district or community college district, as defined in subdivision (i) of Section 20057.
- (f) This section is not applicable to (a) any person who becomes a school member on and after July 1, 1980, and any person who becomes a local member employed, on and after July 1, 1980, by a school district that is a contracting agency whether or not the person was ever a school member or local member prior to that date, or (b) a state employee, with respect to sick leave credits earned as a state member under Section 21353.5, except that the member shall be entitled to receive credit under this section for the sick leave he or she has earned as a state member subject to any other retirement formula, provided the member has a sick leave credit balance remaining at the time of retirement.
- (g) For the purposes of this section, sick leave benefits provided to state employees pursuant to the state sick leave system shall be construed to mean compensation paid to employees on approved leaves of absence on account of sickness.